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GENERAL

- 1. US representatives in Middle East oppose raising embargo—US representatives in Cairo, Beirut, Damascus, and Jerusalem unanimously agree that lifting of the US arms embargo would irreparably damage US interests in the Middle East and would also endanger the lives of US citizens and Jewish nationals in the Arab countries. Memminger in Damascus and Burdett in Jerusalem feel that the Arabs would consider the US action tantamount to a declaration of war. Tuck in Cairo expresses the opinion that lifting of the embargo would prolong the hostilities in Palestine and increase the possibilities of anti-Christian and anti-Jewish violence throughout Islam. Pinkerton in Beirut believes that the Lebanese would regard raising the embargo as deliberate encouragement to both Jews and Arabs to do everything possible to increase their destructive powers.
- 2. UK view of the strategic position of the Middle East--Top British Cabinet officials have outlined to US Ambassador Douglas present British thinking concerning strategic questions in the Middle East. The British consider that Palestine is strategically not a problem of Arab-Jewish opposition but one of geography, "since Palestine is part of the Middle East bridge between not only the east and west but also between Asia and Africa." The British leaders maintain that the Middle East is vital to the defense of the US, the UK, and western Europe against the USSR. According to Douglas, the British believe that the Moslem ideology is capable of being "worked up along anti-western lines" because of Palestine and that such a development would bring about an "almost insuperable" military problem. The British consider the military criteria for a Palestine solution to be that Palestine must not be opened to Soviet influence and Moslem good will toward the US and the UK must not be alienated.

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Secretary of the UK Foreign Office has informed US Ambara too Douglas of the British estimate, in connection with the Pales the question, of the stability of Middle Bast Governments. The British view is that with the exception of Saudi Arabia, the "chances are" that all the governments would very easily of lapse if discredited and hamiliated in the eyes of their people and of Moslem public opinion, generally. These governments collapses, in the judgment of the British, would be followed by the emergence of the Communist Party as the one "stong and otherent" force, or more probably, by a series of local dictators carried to power on a ways of anti-British and anti-US isnait cism. In the latter event it is thought that the final result would be a series of "Communist Party Coups carried out by the Communists.

(CIA Comment: ClA concurs in this British estimate)

Caffery in Paris reports that the French Government has instructed its delegate to the London talks on Germany to "go ahead with the Gorman program," with the understuning the Foreign Minister Bidauli will have to submit the matter to debate in the French Assembly before final French acceptance can be given. Bidault is reportedly convinced that fatiure to do this would result in the fall of the Schuman Government. US Ambassador Douglas reports from London that the French delegate to the talks believes that the assembly debate could take place about one week after conclusion of the work in London and could be ended in one day. The French representative believes that the debate could be limited to the terms of a communique announcing the London decisions, if the communique were sufficiently full and informative.

The Department of State has informed Ambas ador Douglas that the US is agreeable to consultations on the consequences of the US-UK-French action on Germany, as requested by the French on 24 May, and had considered that this was sufficiently implicit in the maintenance of a joint front on the German question.



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(CIA Comment: In view of the relative firmness of the French stand and the municip of concessions already obtained, it is likely that if the assembly debate is conducted a long the lines indicated, the assembly will up hold Didaukt's contact of foreign policy.)

WEAR BAST-AFRICA

5. PAKISTAN: Clash of regular troops in Kashmir fearti-The British Commander in Chief of the Fakistan Army has expressed to the US Military Attache in Karachi the opinion that advancing Indian troops in Kashmir may soon clash with Pakistan Army units there, thus precipitating open war between the two dominions. The MA comments that many persons in Karachi, believing that a clash between the two armies is bound to occur, would prefer it to take place before the Indian Army completely ownruns Kashmir. The MA feels it to be "vitally necessary" that the UN Kashmir commission arrive promptly.

FAR EAST

6. CHINA: Embassy urges evacuation Peiping-Tientsh area—
US Embassy Nanking reports a rapid deterioration of the Nath malist military situation in the Jehol-Ropeh area of North China. The Embassy therefore requests that it be given authorization as soon as possible to warn Americans in the Peiping-Tientsia area to consider seriously evacuation, unless they are prepared to hit; under Communist occupation or to be completely isolated in those cities.